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GENERAL DEBATE

GENERAL AND COMPLETE DISARMAMENT

DEVELOPMENT AND INTERNATIONAL ECONOMIC COOPERATION

REPORT OF THE UNITED NATIONS CONFERENCE ON ENVIRONMENT AND DEVELOPMENT

PROTECTION OF GLOBAL CLIMATE FOR PRESENT AND FUTURE GENERATIONS OF MANKIND

INTERNATIONAL COOPERATION FOR THE ERADICATION OF POVERTY IN DEVELOPING COUNTRIES

INTERNATIONAL COOPERATION FOR ECONOMIC GROWTH AND DEVELOPMENT

Note verbale dated 11 September 1992 from the Permanent Mission of Mexico to the United Nations addressed to the Secretary-General

The Permanent Mission of Mexico to the United Nations presents its compliments to the Secretary-General of the Organization and has the honour to send him, at the request of the President of the InterAction Council, the text in English, French and Spanish of the Final Statement adopted by the Council at its tenth session, held at Querétaro, Mexico, from 28 to 31 May 1992 (see annex).

The Permanent Mission of Mexico would be grateful if you would have this statement circulated as an official document of the General Assembly under items 9, 61, 79, 80, 81, 82 and 85 of the provisional agenda.

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ANNEX

Final Statement adopted by the InterAction Council at its tenth session, held at Querétaro, Mexico, from 28 to 31 May 1992

I. THE SEARCH FOR GLOBAL ORDER

1. With the disappearance of the Cold War confrontation, the world has reached the threshold of new opportunities. A new global order is one exciting idea for the future, but under existing conditions this quest is very ambitious. Rather, what is required is the development of additional rules for the changing international constellation. In that connexion, the InterAction Council fully endorses the report by Mr. Helmut Schmidt on the results and recommendations of a High-level Group on "The Search for Global Order: The Problems of Survival".[1]

Arms Control and Proliferation

2. The end of the Cold War offers a unique opportunity to press ahead with dramatic arms reductions. Yet it also presents new dangers of nuclear proliferation and, paradoxically, new excuses for inaction. The bipolar world of Yalta which so dominated international affairs for the last 45 years has given way to a period of volatility and unpredictability exacerbated by the break-up of the Soviet Union and uncertainty about security implications. Far from justifying footdragging such developments make disarmament all the more imperative. For without such moves the rationale which lies behind proliferation will be strengthened.

3. At a minimum the Non-Proliferation Treaty (NPT), due for review in 1995, must be broadened and extended for a further 25 years. Furthermore, it must be implemented in its entirety. Adherence to Article II under which the non-nuclear weapons states undertake not to possess, develop or transfer nuclear arms must be balanced by a commitment by the nuclear weapons states to honour article VI under which they have pledged themselves to move towards the objective of general and complete disarmament under strict and efficient international control. Indeed in the world of the 21st century, Article VI may prove as crucial to the future of non-proliferation as Article II has proved in the past.

4. To this end the process of disarmament negotiations should be revitalized in all its aspects. Changes in the former Soviet Union must not serve as a pretext for inaction. The successor states should not only honour those treaties agreed by the Soviet Union, but must be brought under the umbrella of the negotiating process, be it Strategic Arms Reduction Talks (START) or the Conventional Forces in Europe Treaty (CFE). The negotiating process must also be expanded to embrace the development of new weapons.

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[1] In addition to Mr. Schmidt, the following members of the InterAction Council participated in the meeting: Andries VAN AGT (Netherlands), Lord CALLAGHAN OF CARDIFF (United Kingdom), Miguel DE LA MADRID HURTADO (Mexico), Daniel M. LISULO (Zambia), Olusegun OBASANJO (Nigeria), Maria de Lourdes PINTASILGO (Portugal), Pierre Elliott TRUDEAU (Canada); as well as the following high-level personalities: Sune BERGSTROM (Sweden), Takako DOI (Japan), Bronislaw GEREMEK (Poland), François HEISBOURG (France), HUANG Hua (China), Henry A. KISSINGER (United States), William P. LAUGHLIN (United States), Emile van LENNEP (Netherlands), Vladimir LUKIN (Russia), Jim MAC NEILL (Canada), Taro NAKAYAMA (Japan), I.G. PATEL (India), Annemarie RENGER (Germany), Nafis SADIK (Pakistan), Helga STEEG (Germany), Ahmed Zaki YAMANI (Saudi Arabia), and the following invited journalists: Nagaharu HAYABUSA (Asahi, Tokyo), Flora LEWIS (The New York Times, Paris), David MARSH (The Financial Times, London), Elizabeth POND (John D. and Catherine T. MacArthur Fellow), Walter STÜTZLE (The Tagespiegel, Berlin).

5. Current agreements between the United States and the Commonwealth of Independent States (CIS), when fully implemented, will still leave 15 to 20 thousand nuclear warheads in their arsenals with thousands more in the hands of the other nuclear powers. It is time that the nuclear powers publicly address the question of whether non-nuclear security is meant only for the non-nuclear states or whether it is not time to proceed towards the total elimination of nuclear weapons worldwide.

6. In the short-term, the nuclear weapons states should commit themselves to signing a treaty on the non-first use of nuclear weapons; subscribing to the principle of complete prohibition of the use of nuclear weapons and the principle to a total nuclear test ban. As a long-term objective, the nuclear weapons states should unambiguously commit themselves to the elimination of all nuclear weapons under strict and efficient international control.

7. As witnessed by the situation currently facing the CIS, the destruction and dismantling of nuclear weapons will require international co-operation both in the technical and the financial field. Scientific co-operation over research into new processes of decommissioning should also be fostered at the international level.

8. Efforts to eliminate biological and chemical weapons should be intensified.

9. Despite the end of the Cold War, the arms trade today is expanding. Developed and developing countries are each culpable. But the moral and political responsibility for curbing the arms trade lies in the main with the five permanent members of the Security Council, who at the same time happen to be the greatest weapons exporters. They must take the lead in imposing strict limits on the export of armaments and immediately stop the export of weapons to areas of armed conflict.

10. Global military expenditure now total approximately 1 trillion US Dollars a year. Over the decade, efforts should be made to reduce that total by half by means of cuts in nuclear and conventional arms and reductions in defence spending by the developed and developing countries. Savings should clearly be earmarked to support the alleviation of poverty. To this end, the international financial institutions, in particular the World Bank and the International Monetary Fund (IMF) and donors of ODA, should make it clear that the flow of financial assistance will be influenced by the efforts of the individual developing countries to reduce military expenditures. Official development assistance (ODA) should be made conditional on a reduction of military expenditure by recipient countries to levels of 2% of GNP and below.

The World Economy

11. The world economy faces a daunting agenda for action: protection of the environment, development assistance, alleviation of poverty, the reconstruction of countries in Central and Eastern Europe as well as of those on the territory of the former Soviet Union, decommissioning of nuclear, chemical and biological weapons, conversion of military production, dismantling of structurally dangerous nuclear power plants. Yet this enumeration is far from being exhaustive. All these challenges call for substantive funds.

12. At the same time, there is sluggish economic growth well below capacities and even recession. Growth opportunities remain untapped. Idle capacities and the de-industrialization in the former command economies have resulted in growing levels of unemployment and the immensely complicated conversion of military industries to civilian purposes may result in further unemployment.

13. On top of this critical transition process, two of the three wealthiest economies of the world, the United States of America and Germany, after unification, have remained or become capital importers, whereas the queue of those seeking capital has dramatically grown. National interests and agendas have shifted aid away from traditional recipients, e.g. the Third World. The scarcity of available funds as a result of savings shortages worldwide will produce high real interest rates on the long end of the financial markets for the foreseeable future.

14. Since World War II, international trade has been a locomotive for growth. The InterAction Council urges all political leaders to break the stalemate at the Uruguay Round of the General Agreement of Trade and tariffs (GATT). Agreement must be reached on drastic reductions of subsidies and other protectionist measures, notably though not exclusively in agriculture. This is a matter of utmost urgency.

All OECD countries, particularly the United States, the European Communities (EC) and Japan, must open their markets to agricultural goods and textiles from the developing world, which may encourage sustainable and mutual growth.

The world can ill afford that those free trade regions now emerging (e.g. the EC, the North American Free Trade Area, similar endeavours in Latin America) develop into trade fortresses undermining the multilateral trading system. Striking a comprehensive deal in the Uruguay Round on the basis of the draft under negotiation will yield global growth, and open the opportunity for further negotiations on trading goods like services.

15. To increase substantially the availability of funds major undustrialized countries should pursue policies to increase public savings dramatically. National political agendas have to be changed towards sustained growth plus higher rates of savings. In particular, Germany must restore its status as a capital exporter. At long last the United States must tackle its deficits and halt a reverse to its growing indebtedness. For some years, the world has lived with the timebomb of the US debt. The threat of an explosion is continuously with us.

16. The CIS countries and other countries hitherto under a command economy have forcefully turned to a Western type of economy. Their expectations of huge financial support from OECD countries for their reconstruction efforts are unrealistic in the face of a worldwide credit crunch. They would be well advised to put more confidence in their abilities and resources as a more reliable and inevitable basis for the transition process. A larger, mutually advantageous cooperation between CIS countries and all other parts of the world, including the former member states of the Council for Mutual Economic Assistance (CMEA), could be the best help to their development.

17. Today, nearly all markets and particularly the financial markets, have become globalized. But globalized controls or agreements on common standards for financial operations are insufficient. As a consequence, there has been an increase in corruption and financial scandals all over the world to an unprecedented degree. National supervisory agencies ought to be strengthened. International financial markets need international supervision. This task mainly lies with the OECD countries.

18. This century has established the principle of economic and monetary cooperation organized in the main through a system of multilateralism. Even if this principle now faces its most important challenge, it remains valid, must be maintained and its applications must be courageously broadened.

Population-Environment-Development

19. The world looks with anticipation to the Rio Earth Summit. Political leaders have a rare historic opportunity to launch mankind on a sustainable path of survival well into the next century. For the sake of future generations, all countries must henceforth observe the principle of demographic and ecological self-discipline and, to that end, forge a new global compact based on unequivocal, monitorable and enforceable commitments by all concerned.

20. Population growth, ecological degradation, global warming, energy needs, production and consumption patterns, poverty and the level of development are inextricably linked. Yet, the overarching population issue is not given the place it deserves on the summit agenda.

21. If the world's present population of 5.5 billion continues to grow at its present pace, it will double every 40 years. If future generations are to enjoy at least the same opportunities as the present generation, it will take entirely new development strategies to achieve all that if we are to avoid pushing the planet beyond critical thresholds. In the developing world, more than one billion people already live under conditions of absolute poverty.

22. Unless population growth can be stabilised in the developing world, poverty will become increasingly acute. If ODA is not significantly increased above present levels, it will then be rendered irrelevant. Each developing country must

- ensure access to birth control, education and services and to voluntary methods of contraception;
- extend education of all young people to the age of 14-16;
- place greater emphasis on women's rights and their employment opportunities and improve basic health care services.

23. Where developing countries give priority to family planning within their own budgetary resources, the industrialised countries, for their part, should provide substantial additional assistance.

24. To mitigate global warming, industrialized countries must pursue measures of energy saving and ecologically less harmful patterns of energy production and consumption. They also should commit themselves to a collaborative programme in research and development of renewable energy resources, such as photovoltaics/solar energy, biomass and wind. The arrangements for the transfer of environmentally sound technologies to developing countries should be facilitated. For their part, the developing countries should commit themselves to less harmful patterns of energy production and consumption. The industrialised countries should provide new and additional resources to assist developing countries in pursuing policies of sustainable development, as has been stated by the OECD Ministers in a Communique in December 1991.

25. The conclusion at Rio of three effective international conventions - on global warming, biodiversity and global deforestation which are interlinked - would have been a signpost for sustainable energy and economic policies. While the Rio summit appears to fall short in these areas, a global awareness process may well have been set in motion. In all areas, however, accelerating action must follow. The establishment of an independent World Commission on Forests with a well-defined timetable may contribute to practical steps in one of these areas.

26. Since the mid-1980s, the InterAction Council has highlighted the implications of ineffective population and environmental policies and has developed a number of concrete policy recommendations. It intends to assess the results of Rio with a view to further developing the body of its recommendations.

Instruments and Institutions

27. The international community needs effective institutions, mechanisms and legal instruments. All of the above mentioned measures will remain abstract unless supported by practical and institutional arrangements. It is evident that in the post-Cold War era, the main task of the United Nations will remain the traditional role of peace keeping and enforcement of actions decided by the Security Council.

28. In the field of environment, population and development, there is no international forum specifically entrusted with decision making at the multilateral level. A number of proposals have been made, including the restructuring of the Economic and Social Council (Ecosoc), the entrusting of those problems to the Security Council, or even to the International Court of Justice. The InterAction Council urges governments to assign these areas to a powerful organ within the United Nations or to create a new organization outside the United Nations system.

29. A year ago, in its final statement of Prague the InterAction Council requested "... that every effort should be made to avert unnecessary tragedy and avoid bloodshed in Yugoslavia". Since that time, Yugoslavia has disintegrated and new independent states have been established, three of which are members of the United Nations. Two of these are being subjected to military aggression which violates the principles of the United Nations Charter, the Helsinki Accords and the tenets of the documents of the

Conference on Security and Cooperation in Europe (CSCE). The InterAction Council calls on all governments to implement the decisions of the Security Council while continuing to insist on urgent and unconditional negotiations among the parties in conflict.

II. CRISIS AND CHANGE IN LATIN AMERICA

30. Latin America - some 450 million people representing more than 8% of world population - has been in social, economic and political crisis. Despite a democratic rejuvenation, the democratic systems are undergoing extreme strain as a result of problems arising from the political and economic transition process. Traditional policy instruments or approaches alone no longer suffice. A new Latin American strategy of development is already underway. This strategy aims to attain sustainable development. It is based on the improvement of public finances, on the opening of the economy, on the reform of the State, on renewed approaches to environmental and social problems, and on the reinforcement of respect for human rights. For consideration of this subject, the InterAction Council had before it a report by Mrs. Maria de Lourdes Pintasilgo on the results and recommendations of a High-level Expert Group which she chaired on "Crisis and Change in Latin American"[2] and which the Council fully endorsed.

31. This new strategy of development must embrace the battle against poverty, proper attention to environmental issues and population policies, taking into account the quality of life and the freedom and dignity of individuals and of family life.

32. The battle against poverty in Latin America is a paramount political, economic and social challenge facing all Governments. There are no ready-made short-term solutions. Leaders must focus on this issue with the same intensity and commitment given to economic recovery and inflation. Poverty threatens to rend the fabric of societies. Its prime sources are:

- an uneven distribution of income which is connected to the distribution of land and means of production;
- the absence of agrarian reforms creating a large, impoverished rural population;
- the implementation of macroeconomic adjustment programmes during the 1980s which caused a dramatic reduction in social expenditures, essentially shouldered by the poorest segments of society.

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[2] In addition to Mrs. Pintasilgo, the following members of the InterAction Council participated in the meeting: Miguel DE LA MADRID HURTADO (Mexico), Misael PASTRANA BORRERO (Colombia), Pierre Elliott TRUDEAU (Canada), Manuel ULLOA (Peru); as well as the following high-level personalities: Diego CORDOVEZ (Ecuador), Richard FEINBERG (United States), Aldo FERRER (Argentina), Wolf GRABENDORFF (Germany), Ivan HEAD (Canada), Enrique IGLESIAS (Uruguay), Helio JAGUARIBE DE MATTOS (Brazil), Carlos PEREZ DEL CASTILLO (Uruguay), Augusto RAMIREZ OCAMPO (Colombia), Guadalupe RUIZ-JIMENEZ (Spain), Jesus SILVA HERZOG (Mexico), Rodolfo STAVENHAGEN (Mexico), Kaoru HAYAMA (Japan).

33. Poverty and social problems cannot be addressed without a stable macroeconomic environment. Economic growth, built on the predictability of policies, remains a precondition for enduring success in the fight against poverty. A fiscally sound policy has to combat inflation and to reduce budget deficits. But fiscal policies must also seek to reallocate funds towards massive social investment of a long-term nature in those sectors in dire need - i.e. education, health and nutrition. This will be impossible without a solution to the debt crisis which remains the single most serious problem for many Latin American countries.

34. To reduce spending and generate income, governments should divest their ownership of endemically unprofitable enterprises and adopt more effective tax systems and collection mechanisms. Serious efforts should be made substantially to increase the rate of internal savings by modernising financial systems and increasing the level of productivity and competitiveness.

35. Latin American military expenditures should be drastically reduced and redirected towards education, health care and other social services.

36. To redress the unjust distribution of income, excessively protectionist policies must be abandoned. Poverty alleviation in the rural areas is unlikely to be successful without efficient agrarian reform and a proper land tenure system, avoiding at the same time latifundia and unproductive minifundia, allocating more resources in credit and technical assistance, and modernising practices and production patterns.

37. The fight against drug trafficking and drug addiction must be a priority for the entire world community, as these phenomena undermine social stability and political security, distort economic processes and represent a dangerous risk to the physical and mental health of peoples. The burden cannot be placed on the shoulders of the Latin American countries alone. The production of drugs will not be stopped unless the demand is drastically curbed, especially in developed countries. Clear and monitorable objectives must jointly be formulated by producing and consumer nations to establish an effective international programme to combat drugtrafficking in all its stages - production, refinement, trade and consumption. We call upon all governments and the United Nations to include the drug problem in their efforts to maintain peace.

38. Poverty flows from ignorance and an inadequate educational system is a main contributing factor. The effective management of the educational system is crucial for all developing countries. The internal efficiency of education must be ensured and the overall cost-effectiveness of the system enhanced. Countries will have to do more with less.

39. Educational efforts should concentrate on two areas:

a) a significant improvement in the quality of primary education, preferably through raising the quality of primary school teachers;

b) investment into higher education given the direct relationship between the quality of higher education and the level of development of a country.

Governments should also agree to set up regional centers of excellence. They should also create a common market for culture without tariffs or any other type of restrictions.

40. Democracy and the respect for human rights have been restored or improved in many countries of the continent. Yet, this has coincided with economic decline. At prevailing levels of illiteracy and poverty, populist solutions may become attractive, endangering any hard won stability. This is why progress in democracy has to go hand in hand with economic recovery, eradication of absolute poverty, and a more equitable social order.

41. In addition to improvements of representative democracy and the protection of human rights, a more participatory democracy must be encouraged. Modernisation of political parties, efficient involvement of different types of organisation of the civil society and adequate and decentralized mediation between political power and social movements are needed.

42. The ongoing redefinition of the role of the state should enhance governability and reinforce legitimacy by drawing on the private sector and society as a whole. Increased reliance on market mechanisms should be joined by efficient State regulation, in order to induce proper social equilibrium, environmental priorities, and longterm development goals.

43. While the recurrence of excessive state intervention in the direct management of the economy should be avoided, the privatisation of public enterprises cannot be a goal per se. Public monopolies should not be replaced by private monopolies or by dominance of foreign interests.

44. The weakening position of Latin America in the world economy makes the pursuit of integration fundamental to increasing competitiveness and the ability of the Continent to penetrate international markets. Any integration entails redistribution of political, social and economic power among different groups of society and different levels of government as well as among the different countries. Sovereignty is thus enlarged in the interest of the development of the continent.

45. The integration process which is underway will develop from progressive arrangement among those sub-regional groups already established. Gradually, these arrangements will converge into a process of integration of the entire continent. Such integration will allow for a better bargaining position vis-à-vis other regional groups thus helping to shape a new global order.

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The following participated in the Querétaro session:

I. Members of the InterAction Council

Helmut Schmidt (Federal Republic of Germany), Chairman
Maria de Lourdes Pintasilgo (Portugal), Deputy Chairperson
Andries van Agt (Netherlands)
Kamal Hassan Ali (Egypt)
Oscar Arias Sanchez (Costa Rica)
Kirti Nidhi Bista (Nepal)
Miguel de la Madrid Hurtado (Mexico)
Jenoe Fock (Hungary)
Gerald Ford (United States)
Malcolm Fraser (Australia)
Kurt Furgler (Switzerland)
Selim Hoss (Lebanon)
Olusegun Obasanjo (Nigeria)
Misael Pastrana-Borrero (Colombia)
Mitja Ribicic (Yugoslavia)
Jose Sarney (Brazil)
Shin Hyon-Hwak (Republic of Korea)
Pierre Elliott Trudeau (Canada)
Manuel Ulloa (Peru)
Ola Ullsten (Sweden)

II. Special Guests

Takako Doi (Japan)
Huang Hua (China)
William P. Laughlin (United States)
Emile van Lennep (Netherlands)
Robert McNamara (United States)
Isamu Miyazaki (Japan)
Taro Nakayama (Japan)
Horst Schulmann (Germany)
Ronald Roskens (United States)
Sheikh Ahmed Zaki Yamani (Saudi Arabia)
Seiken Sugiura (Japan)
Vadim Zagladin (Russia)

III. Invited Journalists

Jorge Hernandez Campos (Mexico)
Flora Lewis (United States)
Edward Mortimer (United Kingdom)
Laurent Mossu (France)
Enrique Ruiz Garcia (Mexico)
Jan Urban (Czech and Slovak Republic)